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DEPARTMENT OF COMMERCE

International Trade Administration

[A-428-846, A-570-093]

Refillable Stainless Steel Kegs from the Federal Republic of Germany and the People's Republic of China: Antidumping Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing antidumping duty orders on refillable stainless steel kegs from the Federal Republic of Germany (Germany) and the People's Republic of China (China).

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Michael A. Romani (Germany) and Thomas Schauer (China), AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0189 and (202) 482-0410, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 735(a), 735(d), and 777(i)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(c), on October 24, 2019, Commerce published its affirmative final determinations in the less-than-fair-value (LTFV) investigations of refillable stainless steel kegs from Germany and China, including its affirmative determination of

critical circumstances with respect to certain imports of subject merchandise from China.¹ On December 9, 2019, the ITC notified Commerce of its final determinations pursuant to section 735(b)(1)(A) of the Act that an industry in the United States is materially retarded by reason of the LTFV imports of refillable stainless steel kegs from Germany and China, and its determination that critical circumstances do not exist with respect to imports of subject merchandise from China.²

Scope of the Orders

The merchandise covered by these orders are refillable stainless steel kegs. For a complete description of the scope of the orders, *see* the appendix to this notice.

Antidumping Duty Orders

As stated above, on December 9, 2019, in accordance with sections 735(b)(1)(B) and 735(d) of the Act, the ITC notified Commerce of its final determinations in these investigations, in which it found that the establishment of an industry in the United States is materially retarded within the meaning of section 735(b)(1)(B) by reason of imports of refillable stainless steel kegs from Germany and China, and further found that critical circumstances do not exist with respect to imports of subject merchandise from China that are subject to Commerce's affirmative critical circumstances finding. Therefore, in accordance with section 735(c)(2) of the Act, Commerce is issuing these antidumping duty orders.

Because the ITC determined that the establishment of an industry in the United States is materially retarded by imports of refillable stainless steel kegs from Germany and China that are sold at LTFV, and is not accompanied by a finding that injury would have resulted but for

¹ *See Refillable Stainless Steel Kegs from Germany: Final Affirmative Determination of Sales at Less Than Fair Value*, 84 FR 57008 (October 24, 2019); and *Refillable Stainless Steel Kegs from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, in Part*, 84 FR 57010 (October 24, 2019) (*China Final Determination*).

² *See* Notification Letter from the ITC dated December 9, 2019.

the imposition of suspension of liquidation of entries since Commerce's *Preliminary Determination*, section 736(b)(2) of the Act is applicable. Accordingly, Commerce will instruct U.S. Customs and Border Protection (CBP) to assess, upon further instruction from Commerce, antidumping duties equal to the amount by which the normal value of the refillable stainless steel kegs from Germany or China exceed the export price (or constructed export price) of the merchandise for entries of refillable stainless steel kegs from Germany or China which are entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's final affirmative determination, under section 735(b) of the Act.

Suspension of Liquidation

With respect to Germany, in accordance with section 735(c)(1)(B) of the Act, Commerce will instruct CBP to continue to suspend liquidation of all appropriate entries of refillable stainless steel kegs from Germany as described in the appendix to this notice which are entered, or withdrawn from warehouse, for consumption on or after the date of publication of the ITC's notice of final determination in the *Federal Register*. We will also instruct CBP to require, at the same time as importers would normally deposit estimated customs duties on this merchandise, cash deposits for the subject merchandise equal to the estimated weighted-average antidumping margins listed below, adjusted for the subsidy offset, as appropriate. The all-others rate applies to all producers or exporters not specifically listed.

With respect to China, in accordance with section 735(c)(1)(B) of the Act, Commerce will instruct CBP to continue to suspend liquidation of all entries of refillable stainless steel kegs from China, as described in the appendix to this notice, with the exception of entries of subject merchandise that were produced by Ningbo Major Draft Beer Equipment Co., Ltd., and exported by Ningbo Master International Trade Co., Ltd. Because we determined the weighted-average dumping margin for such entries to be zero, we are excluding entries of subject merchandise that

were produced by Ningbo Major Draft Beer Equipment Co., Ltd., and exported by Ningbo Master International Trade Co., Ltd., from the antidumping duty order. On the basis of the negative *Final Determination*³ for this producer/exporter combination, we ordered CBP to discontinue the suspension of liquidation and to refund all cash deposits collected for this producer/exporter combination. Such exclusion will not be applicable to merchandise exported to the United States by any other producer/exporter combinations or by third-country exporters that sourced from the excluded producer/exporter combination(s). Moreover, consistent with the decision of the Court of International Trade in *Changzhou Hawd Flooring*, we will not exclude from the antidumping duty order the separate-rate-eligible non-selected respondents.⁴ The China-wide entity rate applies to all exporter-producer combinations not specifically listed below.

In accordance with section 736(b)(2) of the Act, Commerce will also direct CBP to release any bond or other security, and refund any cash deposit made, to secure the payment of antidumping duties with respect to entries of the merchandise entered, or withdrawn from warehouse, for consumption before the date of publication of the ITC's final affirmative determination under section 735(b) of the Act. Further, Commerce will instruct CBP to terminate the suspension of liquidation of, and to liquidate without regard to antidumping duties, entries of refillable stainless steel kegs from Germany and China which are entered, or withdrawn from warehouse, for consumption prior to the date of publication of the ITC's affirmative determinations under section 735(b) of the Act.

³ See *China Final Determination*.

⁴ See *Changzhou Hawd Flooring Co. v. United States*, 324 F. Supp. 3d 1317 (CIT 2018) (*Changzhou Hawd Flooring*).

Provisional Measures and Critical Circumstances

Section 733(d) of the Act states that suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except where exporters representing a significant proportion of exports of the subject merchandise request Commerce to extend that four-month period to no more than six months. At the request of exporters that account for a significant proportion of refillable stainless steel kegs from Germany and China, Commerce extended the four-month period to six months.⁵ In the underlying investigations, Commerce published the preliminary determinations on June 4, 2019. Therefore, the extended period, beginning on the date of publication of the *Preliminary Determination*, ended on November 30, 2019. Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination.

Because the ITC determined, in accordance with Section 733(d) of the Act, that the establishment of an industry in the United States is materially retarded within the meaning of section 735(b)(1)(B) of the Act by reason of imports of refillable stainless steel kegs from Germany and China sold at LTFV, and further found that critical circumstances do not exist with respect to imports of subject merchandise from China pursuant to section 735(c)(3) of the Act, provisional measures are inapplicable. Accordingly, Commerce will instruct CBP to terminate any retroactive suspension of liquidation, release any bond or other security, and refund any cash deposit required to secure the payment of antidumping duties with respect to entries of refillable stainless steel kegs entered, or withdrawn from warehouse, for consumption before the date of publication of the ITC's final affirmative determination under section 735(b) of the Act.

⁵ See *Refillable Stainless Steel Kegs from the Federal Republic of Germany: Preliminary Affirmative Determination of Sales at Less Than Fair Value, and Postponement of Final Determination*, 84 FR 25736, 25737 (June 4, 2019); and *Refillable Stainless Steel Kegs from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, in Part, Postponement of Final Determination, and Extension of Provisional Measures*, 84 FR 25745, 25747 (June 4, 2019).

Estimated Weighted-Average Dumping Margins

The weighted-average antidumping duty margin percentages and cash deposit rates are as follows:

Germany

Exporter/Producer	Estimated Weighted-Average Dumping Margin (percent)
Blefa GmbH	7.47
All Others	7.47

China

Exporter	Producer	Estimated Weighted-Average Dumping Margin (percent <i>ad valorem</i>)	Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent <i>ad valorem</i>)
Ningbo Master International Trade Co., Ltd.	Ningbo Major Draft Beer Equipment Co., Ltd.	0.00 ⁶	N/A
Guangzhou Jingye Machinery Co., Ltd.	Guangzhou Jingye Machinery Co., Ltd.	0.00 ⁷	0.0
Guangzhou Ulix Industrial & Trading Co., Ltd.	Guangzhou Jingye Machinery Co., Ltd.	0.00 ⁸	0.0
China-Wide Entity		77.13	63.60

Notification to Interested Parties

This notice constitutes the antidumping duty order with respect to refillable stainless steel kegs from Germany and China pursuant to section 736(a) of the Act. Interested parties

⁶ Entries of subject merchandise that were produced by Ningbo Major Draft Beer Equipment Co., Ltd., and exported by Ningbo Master International Trade Co., Ltd. are excluded from the antidumping duty order.

⁷ This producer/exporter combination is based on the rate calculated for Ningbo Master International Trade Co., Ltd.

⁸ *Id.*

can find a list of antidumping duty orders currently in effect at

<http://enforcement.trade.gov/stats/iastats1.html>.

This order is issued and published in accordance with section 736(a) of the Act and 19 CFR 351.211(b).

Dated: December 11, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

Scope of the Orders

The merchandise covered by the orders are kegs, vessels, or containers with bodies that are approximately cylindrical in shape, made from stainless steel (*i.e.*, steel containing at least 10.5 percent chromium by weight and less than 1.2 percent carbon by weight, with or without other elements), and that are compatible with a “D Sankey” extractor (refillable stainless steel kegs) with a nominal liquid volume capacity of 10 liters or more, regardless of the type of finish, gauge, thickness, or grade of stainless steel, and whether or not covered by or encased in other materials. Refillable stainless steel kegs may be imported assembled or unassembled, with or without all components (including spears, couplers or taps, necks, collars, and valves), and be filled or unfilled.

“Unassembled” or “unfinished” refillable stainless steel kegs include drawn stainless steel cylinders that have been welded to form the body of the keg and attached to an upper (top) chime and/or lower (bottom) chime. Unassembled refillable stainless steel kegs may or may not be welded to a neck, may or may not have a valve assembly attached, and may be otherwise complete except for testing, certification, and/or marking.

Subject merchandise also includes refillable stainless steel kegs that have been further processed in a third country, including but not limited to, attachment of necks, collars, spears or valves, heat treatment, pickling, passivation, painting, testing, certification or any other processing that would not otherwise remove the merchandise from the scope of the orders if performed in the country of manufacture of the in-scope refillable stainless steel keg.

Specifically excluded are the following:

- (1) vessels or containers that are not approximately cylindrical in nature (*e.g.*, box, “hopper” or “cone” shaped vessels);
- (2) stainless steel kegs, vessels, or containers that have either a “ball lock” valve system or a “pin lock” valve system (commonly known as “Cornelius,” “corny” or “ball lock” kegs);
- (3) necks, spears, couplers or taps, collars, and valves that are not imported with the subject merchandise; and
- (4) stainless steel kegs that are filled with beer, wine, or other liquid and that are designated by the Commissioner of Customs as Instruments of International Traffic within the meaning of section 332(a) of the *Tariff Act of 1930*, as amended.

The merchandise covered by the orders are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7310.10.0010, 7310.10.0050, 7310.29.0025, and 7310.29.0050.

These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of the orders is dispositive.